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MEMORANDUM

SUBJECT: Likely East European Reactions to Yuri Andropov's
Emerging Policy Towards Their Region*

Summary: Soviet party General Secretary Andropov appeared in his speech to the Soviet Central Committee plenum in June to offer the regimes of Eastern Europe a larger voice in the determination of bloc policies and a pledge of greater respect for their own national particularisms. Because he also cited limits when it comes to nationalism and any diminution in the role of the party, East European elites will be pondering the extent to which they are being conceded new freedom to act, as opposed to larger roles in a more tightly run show. Nevertheless, reformers among these elites will be pleased that Andropov is, on balance, encouraging innovation, though they will remain cautious about sticking out their own necks until he commits himself more explicitly. And East European conservatives, while uncomfortable with Andropov's stress on the need for pragmatic change and fearful of what it might bring to the surface, will remain hopeful that they can locally frustrate reformist tendencies. In sum, Andropov has probably caused some stir in Eastern Europe, but he has not yet done anything sufficient to prompt policy departures or leadership changes in any of existing regimes. When, and if, movement does finally occur, new possibilities for exercising Western influence may appear. []

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* The views expressed in this memorandum are necessarily tentative and are solely those of the author, [] They are provided to aid the reader in reaching his own conclusions. Comments are requested and should be directed to the Chief, East European Division, EURA, []

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Soviet party General Secretary Andropov no doubt riveted East European attention when, in his speech to the Soviet party's plenum on 15 June, he assigned top priority among the international activities of the Soviet party and state to strengthening the "cooperation and cohesion" of the socialist countries. But Andropov did so in a way designed to ease fears that new, and perhaps, more active, Soviet attention to the socialist states would mean trampling on the divergent interests and hard-won prerogatives of the East European regimes.

- He described as only natural the "major distinctions" among them and their methods "of solving the tasks of socialist development."
- He pledged absolute respect "for the sovereign rights of each country."
- He asserted, in a statement of Kadarian tone, that "what can divide the socialist states is immeasurably smaller than what we have in common..."
- He allowed that the "processes" of achieving closer cohesion are all "long-term." [redacted]

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Andropov was even more conciliatory when he addressed the processes specifically, using new formulations or new contexts:

- Political interaction, especially through the Warsaw Pact, with due regard for the specific interests of individual states to achieve "a strong blend of opinions and positions of fraternal countries." Andropov's novel bow to East European positions will probably be read as pledging more attention to the East European voices in Pact councils, and it is probably significant that he mentioned the Pact only in a political context. East European, and particularly Romanian, distress with Pact policies has most often related to security issues such as Soviet urging of higher military budgets and modernization of equipment inventories, and this situation probably still obtains. How the East Europeans net all this out will probably have been importantly influenced by the late-June bloc summit meeting on an INF response. The Romanians and Hungarians have insinuated that they backed the Soviets off from making threats; the real, and unanswered, question is how hard the Soviets tried. [redacted]
- Economic integration, to the end of "strengthening the national economies of the participating countries." This is hardly new fare, but mention of the national

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economies is not common and states the issue delicately. The East Europeans are acutely aware that there is vast room for improvement in CEMA cooperation, and many, we believe, will suspect that the pragmatic Andropov has it in mind to make the mechanisms of cooperation more effective. Most would not oppose a more efficient CEMA as long as it requires no subordination of individual national economic interests to the needs of the group as a whole, and especially the needs of the USSR which overwhelm those of all the rest combined. They will also be anxious that his plans not inhibit their ability to seek healthier economic relations with the West and the Third World, without which their economies will be condemned to stagnation in CEMA and even less competitive in the world economy-- say, vis-a-vis the rapidly developing states. []

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Recent Hungarian and Czechoslovak approaches to the EC suggest the East Europeans believe they have Soviet permission to seek greater and new forms of cooperation with the West, and a Hungarian official has said the section curtailing Hungarian economic relations with the West has been removed from the document of the oft-postponed CEMA summit meeting. But there is a tension here between improving integration in the East and cooperation with the West, which will keep most of the East Europeans worried over whether they have the proper balance between avoiding Soviet displeasure and promoting their own national economic health. []

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-- Ideologically drawing closer together, a statement that would ordinarily set off alarm bells in Eastern Europe that Andropov plans to infringe on their "right" to separate roads to socialism. In fact, however, because Andropov elsewhere in his speech and in his February Kommunist article calls for a revitalization of ideology as a means of allowing practical change, the implication for the East Europeans is quite the contrary. For the Soviets to break out of ideologically conditioned policy deadends, Andropov calls for looking to "the experience of the socialist development of a number of other countries," which in turn suggests those East Europeans who wish to try innovative approaches, such as the Hungarians and Bulgarians, have his blessing to do more. Hungarian officials state explicitly that they believe they do. []

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If Andropov in these areas appears to be offering the East Europeans a larger role in setting their own and bloc policies, he nonetheless has caveats which will give some East Europeans pause. []

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-- "When the guiding role of the party weakens, there arises the danger of slipping down to a bourgeoisie-reformist way of development." Poland's General Jaruzelski will take this as a further reminder that Andropov wishes him to get on with rebuilding the Polish party so that the Polish officer corps can return to the barracks, and the Yugoslavs probably suspect that their self-managing socialism in Soviet eyes accords their party too weak a leading role to be ideologically pure. []

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-- "Nationalistic sentiments" must be rebuffed. Romania's Ceausescu will correctly see a reprimand here, and the other two East European independents, Albania and Yugoslavia, will understand that they are offenders as well. But even among the faithful there may be concern. Jaruzelski may, for example, wonder how high he raised the hair on the bear's back with the Papal visit and even the Bulgarians, who apparently came under some Soviet criticism in connection with the celebration of the 1300th anniversary of their state, may believe that they have been pricked. []

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Whatever Andropov's caveats, the deeper concern in East European elites will be whether his speech presages a new Soviet program of action that they will feel pressure to emulate. They will recall the New Course of the 1950s and the New Economic Mechanisms of the 1960s, inaugurated when the bloc, as now, had reached policy deadends. What some conservative East European regimes, such as the one in Czechoslovakia which emerged after the Prague Spring disaster, will be remembering is that Soviet-induced sea changes may well undercut the stability of their regimes. And some of the more nationalistic regimes, such as the Romanian and Hungarian, will be remembering that integration schemes can pose difficult decisions, such as Romania's not to accept in 1964 Khrushchev's assigned role as bloc breadbasket. To calculate how serious a change may be coming--and how much pressure the Soviets are apt to apply--the East Europeans will be making a number of other judgment calls. Among them will be whether Andropov has consolidated his power enough in the Soviet Union to work his will there and how good his health is. []

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One assumes that the East Europeans, like ourselves, will have already concluded that Andropov's rapid assumption of all of Brezhnev's titles means that he must for now be paid serious attention. What precisely he expects of them will be more difficult to discern, if only because Andropov has suggested more areas for discussion than he has advocated plans of action. One document that East Europeans have surely been studying for clues

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will be Andropov's Kommunist article, in which he appeared to focus on three areas. []

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- 1. Social discipline, in the sense of enforcing a work ethic on the labor force and purging corrupt officials. This concern has already been translated into something of a program in the USSR and, in moderation, it will not deeply trouble the East Europeans. Indeed, Poland's Jaruzelski will see in Andropov's position support for his own attempts to clean out Poland's party and governmental bureaucracies and his militarization of the labor force in major industries. In Bulgaria, the police have already been reported checking parks and popular eating spots during the day, examining identity cards and taking the names of those who should be at work. And in Czechoslovakia, a discipline campaign is being institutionalized in new directives and laws. []

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Rectitude, however, can be a dangerous commodity in Eastern Europe. These command economies do not work well, and in truth it is only through extralegal acts that things in many cases work at all. This holds both for the party officials who abuse their perks to lead the good life and for the general populace that goes outside the official system to satisfy its needs, whether in procuring food from private sources or by working in the gray or black economy to earn the money to pay for luxury items. Even the regimes resort to such practices, as demonstrated by the Bulgarians' involvement in the secret international arms and drug traffic to earn foreign exchange. In sum, serious attempts to cleanse these societies (especially those in the Balkans) of an important and accustomed lubricant could make the lot of the East Europeans considerably more difficult and increase unhappiness both internally and with Soviet leadership. []

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For other East European societies, such as Hungary which runs a comparatively relaxed internal ship, social discipline could imply also a need to tighten up on dissident and other unsanctioned activities that are now tolerated because such "pluralism" helps the leadership retain popular confidence. Kadar (and probably even Jaruzelski, who has done much, but probably not enough in Soviet eyes) would not welcome pressures from Moscow to tighten domestic screws when he is attempting to maintain or even step up the pace of reform and to keep the public mood placid in the face of new economic stringencies. []

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- 2. Restructuring lines of managerial authority and rejuvenating the managerial elite. So far, it looks to us like more restructuring (agriculture, as the principal example) than rejuvenating is going on in the

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USSR, and we have seen little new of either going on in Eastern Europe so far this year (the Czechoslovak governmental changes of mid-June may be a first reverberation). Simple restructuring, as long as it remains mostly talk, is not a concept that will greatly upset most East Europeans. Reformers, such as the Bulgarians and Hungarians, will claim they have been doing it gradually for many years. And in Poland, where conservative impulses remain strong, many of the same old economic bureaucrats are in the same old offices doing the same old jobs with new titles and organizational names, despite the passage of laws on economic reform. []

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If East European elites (less the Bulgarian and Hungarian) conclude that more than talk and a few scapegoats are required of them, tension will mount. Managerial rejuvenation means that the criteria for managerial success include more than political loyalty and ideological conformity, thus setting up many in the East European political and economic bureaucracies to fail. It further may imply delegating important decisions to technocrats, economists, and financiers, and listening to the advice even of qualified intellectuals, as is already the case in Hungary. And it finally implies that the preconditions are being created for economic reform. What many conservatives in the East European elites (especially in Czechoslovakia) will fear is that the serious reformers will now believe the reins have been placed in their hands and that they will now try to seize the political initiative. []

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- 3. Ideological revitalization. Andropov explicitly states, of course, that he is not looking to the West for inspiration but that he does seek ideas from within the socialist world (but again with the hint that Yugoslavia's self-managing socialism is a bit beyond the pale). Still those few new wrinkles he talks about as perhaps applicable to the USSR do not add up to much. Most in Eastern Europe will assume he is alluding to Hungary's experimentation, the only new act in the bloc that seems to be working in the sense that alienation between the leaders and the led has been minimized and is better managed than elsewhere in the Pact states, except perhaps in Bulgaria where a clannish society by and large appreciates that it is better off than ever before. []

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However attractive in terms of breaking out of ideological dogmatism, Kadarian socialism has much that disturbs many in Eastern Europe's elites. For one, reform of economic management seems inherently to require tolerance of

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a diversity in decision-making that most East European leaders would find intolerable. (In Romania, for example, even small economic decisions take on political significance because Ceausescu insists on having the final say.) Secondly, Kadarism's successful practice requires good political relations with, and some dependence on, the West in pursuit of preferential access to hard currency markets and loans. Good political relations, in turn, require gentle handling of domestic dissent, foreign travel for citizens, and Western access to Hungarian officials. And, thirdly, Hungarian practice requires some observance of a rule of law in which individuals and commercial entities have legally defensible rights independent of the state, as in the enforcement of contracts. In sum, the practice of Kadarism has moved in a direction that conservative communists find offensive--i.e., convergence toward the West from the socialist side. Most East European elites believe they could not pursue such a course without threatening their continued rule. [REDACTED]

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Andropov's goals, then, are apt to draw a mixed reaction from within Eastern Europe's elites. Reformers and liberalizers, especially in Hungary, will be pleased that he encourages innovation and that his pursuit of greater cooperation among their states does not now smack of homogenization or sacrifice of national interests. At the same time, they will probably be cautious about sticking their necks out very far until Andropov becomes more explicit about his preferences for the practice of socialism in the USSR. Until Andropov is more explicit and provides clearer evidence that he will be in power for some time, they will remain suspicious about the reversibility of the new, more participatory deal he ostensibly is offering them. [REDACTED]

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Eastern Europe's conservatives will, in contrast, not like the harbingers of what Andropov has in mind--namely, change. There was comfort in Brezhnev's conservative style of leadership, buttressed by continuing--albeit ebbing--Soviet economic subsidization. Andropov's early policy inclination will be seen, rather, more to encourage some risk taking and, thus, to be potentially disruptive. They will fear that some in their regimes will seize on the issue of change in an attempt to improve their relative domestic power positions or to advance controversial, previously beaten-back policy preferences. Still, as long as Andropov is not urging specific changes, they will retain some confidence in their ability locally to ignore his general guidelines and to frustrate his intent. [REDACTED]

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The bottom line, therefore, probably is that Andropov has got the East Europeans' attention and caused some stirrings, but that he has not yet done anything that requires them to act. That, presumably, will await a further consolidation of his power in the USSR and the more explicit elaboration of his preferences for Eastern Europe and bloc institutions. Some elaboration is no doubt occurring during the series of bilateral discussions Andropov began in May with East Germany's Honecker and is currently continuing with Kadar and Czechoslovakia's Husak. If and when movement finally occurs because some in Eastern Europe believe Andropov has expanded the horizons of the possible, or perhaps because some believe he has placed their East European interests at risk, the situation there may offer some greater promise for US influence.